

SCHEDULE A—MLT PRODUCTIONS (WMSB) PROJECTED PROFIT and LOSS STATEMENT—Year 1 (1 taping day per month)

	MONTH 1	MONTH 2	MONTH 3	MONTH 4	MONTH 5	MONTH 6	MONTH 7	MONTH 8	MONTH 9	MONTH 10	MONTH 11	MONTH 12	TOTALS	Percent Average
Gross Profits	\$115,000.00	\$250,000.00	\$300,000.00	\$400,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$5,065,000.00	100.00%
EXPENSES														
Basic Studio Production Costs	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$680,760.00	13.44%
Extra Studio Charges	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$24,240.00	0.48%
Salaries	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$286,680.00	5.66%
Payroll Taxes	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$63,260.64	1.25%
Television Advertising	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$60,000.00	1.18%
Film Stock	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$5,400.00	0.11%
Office Supplies	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$8,844.00	0.17%
Postage	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$1,740.00	0.03%
Car Expense	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$1,512.00	0.03%
Insurance	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$2,520.00	0.05%
Legal Fees	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$6,000.00	0.12%
Accounting	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$18,000.00	0.36%
Office Rent	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$7,140.00	0.14%
Office Telephones	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$7,200.00	0.14%
Office Utilities	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$3,600.00	0.07%
Telephone Answering Service	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$5,400.00	0.11%
Answering Service														
Overall Charge	\$795.00	\$1,725.00	\$2,070.00	\$2,760.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$34,950.00	0.69%
Depreciation	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$1,345.14	0.03%
Total Expenses	\$99,431.82	\$100,361.82	\$100,706.82	\$101,396.82	\$102,086.82	\$102,086.82	\$102,086.82	\$102,086.82	\$102,086.82	\$102,086.82	\$102,086.82	\$102,086.82	\$1,218,991.78	24.06%
Net Profit before Commissions	\$15,568.18	\$149,638.18	\$199,293.18	\$298,603.18	\$397,913.18	\$397,913.18	\$397,913.18	\$397,913.18	\$397,913.18	\$397,913.18	\$397,913.18	\$397,913.18	\$3,846,408.22	75.94%
Executive Producer Commission —5% of Net	\$778.41	\$7,481.91	\$9,964.66	\$14,930.16	\$19,895.66	\$19,895.66	\$19,895.66	\$19,895.66	\$19,895.66	\$19,895.66	\$19,895.66	\$19,895.66	\$192,320.41	3.88%
Marketing Commission —1% of Net	\$155.68	\$1,496.38	\$1,992.93	\$2,986.03	\$3,979.13	\$3,979.13	\$3,979.13	\$3,979.13	\$3,979.13	\$3,979.13	\$3,979.13	\$3,979.13	\$38,464.08	0.76%
Taxes on Commissions	\$44.84	\$430.96	\$573.96	\$859.98	\$1,145.99	\$1,145.99	\$1,145.99	\$1,145.99	\$1,145.99	\$1,145.99	\$1,145.99	\$1,145.99	\$11,077.66	0.22%
Net Profit	\$14,589.26	\$140,228.94	\$186,761.63	\$279,827.02	\$372,892.40	\$372,892.40	\$372,892.40	\$372,892.40	\$372,892.40	\$372,892.40	\$372,892.40	\$372,892.40	\$3,604,546.07	71.17%

MLT PRODUCTIONS (WMSB) PROJECTED PROFIT and LOSS STATEMENT—Year 2

MONTH 1

Gross Profits \$500,000.00

EXPENSES

Basic Studio Production Costs \$56,730.00

Extra Studio Charges \$2,020.00

Salaries \$23,890.00

Payroll Taxes \$5,271.72

Television Advertising \$5,000.00

Film Stock \$450.00

Office Supplies \$737.00

Postage \$145.00

Car Expense \$126.00

Insurance \$210.00

Legal Fees \$500.00

Accounting \$1,500.00

Office Rent \$595.00

Office Telephones \$600.00

Office Utilities \$300.00

Telephone Answering Service \$450.00

Answering Service

Overall Charge \$3,450.00

Depreciation \$112.10

Total Expenses \$102,086.82

Net Profit

before Commissions \$397,913.18

Executive Producer Commission

—5% of Net \$19,895.66

Marketing Commission

—1% of Net \$3,979.13

Taxes on Commissions \$1,145.99

Net Profit \$372,892.40

SCHEDULE B—MLT Productions (WMSB) Projected Cash Flow—First Year

	Pre-Start-Up Position	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	TOTAL
1. Cash on Hand (beginning of month)	\$0.00	\$110,452.78	\$124,224.13	\$264,220.16	\$450,403.89	\$729,653.00	\$1,102,657.50	\$1,475,662.00	\$1,848,666.50	\$2,221,671.00	\$2,594,675.49	\$2,967,679.99	\$3,340,684.49	\$17,230,650.93
2. Cash Receipts	\$0.00													
(a) Cash Sales	\$0.00	\$115,000.00	\$250,000.00	\$300,000.00	\$400,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$5,065,000.00
(b) Collections from Credit Accounts	\$0.00	\$0.00												
(c) Loan or Other Cash Injection	\$225,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$225,000.00
3. Total Cash Receipts	\$225,000.00	\$115,000.00	\$250,000.00	\$300,000.00	\$400,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$5,290,000.00
4. Total Cash Available	\$225,000.00	\$225,452.78	\$374,224.13	\$564,220.16	\$850,403.89	\$1,229,653.00	\$1,602,657.50	\$1,975,662.00	\$2,348,666.50	\$2,721,671.00	\$3,094,675.49	\$3,467,679.99	\$3,840,684.49	\$22,520,650.93
5. Cash Paid Out														
(a) Basic Studio Production Costs	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$56,730.00	\$737,490.00
(b) Extra Studio Charges	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$2,020.00	\$26,260.00
(c) Salaries	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$23,890.00	\$310,570.00
(d) Payroll Taxes	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$5,271.72	\$68,532.36
(e) Television Advertising	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$65,000.00
(f) Film Stock	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$5,850.00
(g) Office Supplies	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$737.00	\$9,581.00
(h) Postage	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00	\$1,885.00
(i) Car Expense	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$126.00	\$1,638.00
(j) Insurance	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$210.00	\$2,730.00
(k) Legal Fees	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$6,500.00
(l) Accounting	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$19,500.00
(m) Sponsor Interest	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$595.00	\$7,735.00
(n) Office Rent	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00	\$7,800.00
(o) Office Utilities	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$300.00	\$3,900.00
(p) Telephone Answering Service	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$450.00	\$5,850.00
(q) Overall Charge	\$795.00	\$1,725.00	\$2,070.00	\$2,760.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$3,450.00	\$38,400.00
(r) Subtotal	\$99,319.72	\$100,249.72	\$100,594.72	\$101,284.72	\$101,974.72	\$101,974.72	\$101,974.72	\$101,974.72	\$101,974.72	\$101,974.72	\$101,974.72	\$101,974.72	\$101,974.72	\$1,319,221.36
(s) Capital Purchases	\$6,940.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,940.00
(t) Other Start-up Costs	\$8,287.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,287.50
(u) Executive Producer Commission	\$0.00	\$778.41	\$7,481.91	\$9,964.66	\$14,930.16	\$19,895.66	\$19,895.66	\$19,895.66	\$19,895.66	\$19,895.66	\$19,895.66	\$19,895.66	\$19,895.66	\$192,320.41
(v) Marketing Commission	\$0.00	\$155.68	\$1,496.38	\$1,992.93	\$2,986.03	\$3,979.13	\$3,979.13	\$3,979.13	\$3,979.13	\$3,979.13	\$3,979.13	\$3,979.13	\$3,979.13	\$38,464.08
(w) Time-on-Commissions	\$0.00	\$44.84	\$430.96	\$573.96	\$859.98	\$1,145.99	\$1,145.99	\$1,145.99	\$1,145.99	\$1,145.99	\$1,145.99	\$1,145.99	\$1,145.99	\$11,077.66
6. Total Cash Paid Out	\$114,547.22	\$101,228.65	\$110,003.97	\$113,816.28	\$120,750.89	\$126,995.50	\$126,995.50	\$126,995.50	\$126,995.50	\$126,995.50	\$126,995.50	\$126,995.50	\$126,995.50	\$1,576,311.01
7. Cash Position (End of month—4 minus 6)	\$110,452.78	\$124,224.13	\$264,220.16	\$450,403.89	\$729,653.00	\$1,102,657.50	\$1,475,662.00	\$1,848,666.50	\$2,221,671.00	\$2,594,675.49	\$2,967,679.99	\$3,340,684.49	\$3,713,688.99	\$20,944,339.92
Revised Operating Data (Non-cash flow information)														
A. Sales Volume (Dollars)	\$0.00	\$115,000.00	\$250,000.00	\$300,000.00	\$400,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$5,065,000.00
B. Depreciation	\$0.00	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$112.10	\$1,345.14

MLT Productions (WMSB) Projected Cash Flow—Second Year

Month 1

1. Cash on Hand (beginning of month)	\$3,713,688.99
2. Cash Receipts	
(a) Cash Sales	\$500,000.00
(b) Collections from Credit Accounts	
(c) Loan or Other Cash Injection	\$0.00
3. Total Cash Receipts	\$500,000.00
4. Total Cash Available	\$4,213,688.99
5. Cash Paid Out	
(a) Basic Studio Production Costs	\$56,730.00
(b) Extra Studio Charges	\$2,020.00
(c) Salaries	\$23,890.00
(d) Payroll Taxes	\$5,271.72
(e) Television Advertising	\$5,000.00
(f) Film Stock	\$450.00
(g) Office Supplies	\$737.00
(h) Postage	\$145.00
(i) Car Expense	\$126.00
(j) Insurance	\$210.00
(k) Legal Fees	\$500.00
(l) Accounting	\$1,500.00
(m) Sponsor Interest	\$595.00
(n) Office Rent	\$600.00
(o) Office Utilities	\$300.00
(p) Telephone Answering Service	\$450.00
(q) Overcall Charge	\$3,450.00
(r) Subtotal	\$101,974.72
(s) Capital Purchases	\$0.00
(t) Other Start-up Costs	\$0.00
(u) Executive Producer Commission	\$19,901.26
(v) Marketing Commission	\$3,979.13
(w) Taxes on Commissions	\$1,145.99
6. Total Cash Paid Out	\$127,001.11
7. Cash Position (End of month—4 minus 6)	\$4,086,687.89
Essential Operating Data (Non-cash flow information)	
A. Sales Volume (Dollars)	\$500,000.00
B. Depreciation	\$112.10

SCHEDULE C—PERSONNEL SALARIES

BELOW THE LINE PERSONNEL—PER HOUR/10-HOUR DAYS

CREW	PER HOUR	PER DAY/SHOW	Medical Insurance	Employment Training Tax (.1%)	Unemployment Taxes (3.4%)	Disability Taxes (1.3%)
Assistant Director	\$250.00	\$2,500.00	\$125.00	\$2.50	\$85.00	\$32.50
Technical Director	\$50.00	\$500.00	\$125.00	\$0.50	\$17.00	\$6.50
Production Coordinator	\$23.00	\$230.00	\$125.00	\$0.23	\$7.82	\$2.99
Studio Director	\$28.00	\$280.00	\$125.00	\$0.28	\$9.52	\$3.64
Camera Operator #1	\$26.00	\$260.00	\$125.00	\$0.26	\$8.84	\$3.38
Camera Operator #2	\$26.00	\$260.00	\$125.00	\$0.26	\$8.84	\$3.38
Camera Operator #3	\$26.00	\$260.00	\$125.00	\$0.26	\$8.84	\$3.38
Camera Operator #4	\$26.00	\$260.00	\$125.00	\$0.26	\$8.84	\$3.38
Floor Director	\$32.00	\$320.00	\$125.00	\$0.32	\$10.88	\$4.16
Lighting Director	\$25.00	\$250.00	\$125.00	\$0.25	\$8.50	\$3.25
Lighting Technician	\$25.00	\$250.00	\$125.00	\$0.25	\$8.50	\$3.25
Location Recording Technician, reel-to-reel	\$100.00	\$1,000.00	\$125.00	\$1.00	\$34.00	\$13.00
VTR/Audio Technician	\$22.00	\$220.00	\$125.00	\$0.22	\$7.48	\$2.86
Makeup Artist	\$42.00	\$420.00	\$125.00	\$0.42	\$14.28	\$5.46
Grip	\$25.00	\$250.00	\$125.00	\$0.25	\$8.50	\$3.25
Computer Graphics Designer (CG)	\$20.00	\$200.00	\$125.00	\$0.20	\$6.80	\$2.60
Talent #1	\$75.00	\$750.00	\$125.00	\$0.75	\$25.50	\$9.75
Talent #2	\$75.00	\$750.00	\$125.00	\$0.75	\$25.50	\$9.75
Talent #3	\$75.00	\$750.00	\$125.00	\$0.75	\$25.50	\$9.75
Student Intern #1	\$5.00	\$50.00	\$125.00	\$0.05	\$1.70	\$0.65
Student Intern #2	\$5.00	\$50.00	\$125.00	\$0.05	\$1.70	\$0.65
"Gopher" (go-for person)	\$33.00	\$330.00	\$125.00	\$0.33	\$11.22	\$4.29
TOTAL BELOW-LINE PERSONNEL	\$1,014.00	\$10,140.00	\$2,750.00	\$10.14	\$344.76	\$131.82

ABOVE THE LINE PERSONNEL

Assistant Producer	\$40.00	\$400.00	\$125.00	\$0.40	\$13.60	\$5.20
Director	\$60.00	\$600.00	\$125.00	\$0.60	\$20.40	\$7.80
Scriptwriter	\$35.00	\$350.00	\$125.00	\$0.35	\$11.90	\$4.55
Production Secretary		\$1,600.00	\$125.00	\$1.60	\$54.40	\$20.80
Product Evaluation/Selection Expert		\$1,700.00	\$125.00	\$1.70	\$57.80	\$22.10
Talent Evaluation Expert		\$1,700.00	\$125.00	\$1.70	\$57.80	\$22.10
Administrative Analyst		\$1,700.00	\$125.00	\$1.70	\$57.80	\$22.10
Marketing Person		\$1,000.00	\$125.00	\$1.00	\$34.00	\$13.00
(* plus 1% Commission)						
Director Of Sales at 10 Hours/Week		\$1,000.00	\$125.00	\$1.00	\$34.00	\$13.00
TOTAL ABOVE-LINE PERSONNEL		\$10,050.00	\$1,125.00	\$10.05	\$341.70	\$130.65

FULL TIME ADMINISTRATIVE STAFF

Producer		\$2,000.00	\$125.00	\$2.00	\$68.00	\$26.00
(20 Hours/Week)						
Producer—Merchandising		\$1,700.00		\$1.70	\$57.80	\$22.10
Executive Producer Draw at 5% net*			\$125.00	\$0.00	\$0.00	\$0.00
TOTAL STAFF		\$3,700.00	\$250.00	\$3.70	\$125.80	\$48.10

TOTAL SALARIES

\$23,890.00 (amount transferred to P&L and Cash Flow statements)

* before Commissions

TOTAL PAYROLL TAXES

\$4,125.00 \$23.89 \$812.26 \$310.57

* before Commissions

TOTAL PAYROLL TAXES:

\$5,271.72

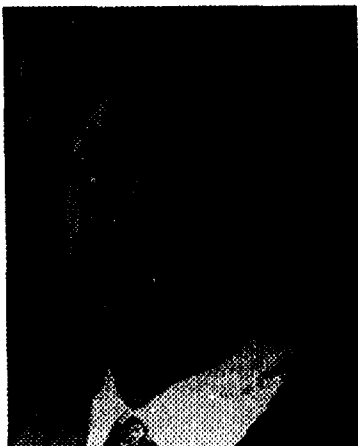
BELOW-LINE SALARY RATIO: 42.44%

ABOVE-LINE SALARY RATIO: 57.56%

* Commissions and executive producer draw figured separately on P&L and Cash Flow Statements

MLT PRODUCTIONS STAFFING

The program production staff: Executive Producer—Veronica McCune; Associate Producer—Charlotte Jackson; Administrative Analyst—Bill Ellis; 1 technical director, 1 assistant producer, 1 assistant director, 1 technical director, 1 production coordinator, 1 production secretary, 3 to 4 camera persons, 2 lighting technicians, 1 audio technician, 1 product evaluation/selection expert, 1 talent evaluation expert, 1 marketing person, 1 sales director, 1 computer graphics designer (CG), 1 makeup artist, 1 grip, 2 interns, 1 “gopher” (go-for person), 3 hosts, and 1 scriptwriter (see staff roster, page 35, and organizational chart, page 41).



Veronica McCune

Executive Producer

Veronica McCune has been an executive producer for nine years, producing programs for Cox Cable and Southwestern Cable. She has been trained in television production by Cox Cable San Diego and her specialties in programming include social service, business, women, and the ethnic community.

She has also produced for two of the top ten public relations companies in the nation: Hill and Knowlton, Inc. and M Booth & Associates, Inc., both of New York. She works as a television consultant, and in the last six years has produced *Single And Parent*, *Women Of Color*, *Women In Motion*, *It's The Law*, *Focus On Justice*, *Making A Difference*, *Business To Business*, *Men And Male Medicine*, special programs on *Women Of Color*, the San Diego County Aids Foundation and the Let's Talk Drugs program—a total of over 500 shows for community television.

Veronica attended San Diego City College where she studied general education; Grossmont Community College for public relations; and the University of California San Diego for business administration. Veronica's professional and business involvement includes 14 years with the City of San Diego, host and producer of her first 20 television programs for community television, and business owner and entrepreneur—president of McCune Little Things Productions (MLT).

MLT Productions is a small, woman-owned enterprise with great potential. The number of employees and length of employment depends on the project undertaken by MLT Productions.

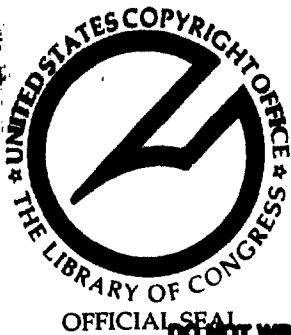
Veronica's past community services include Christian teacher to small children, president of a school P.T.A., board member with the City of San Diego Municipal Employee Association, lobbyist for California and Federal child-support bills, lobbyist for a California runaway hot-line, Evangelical Ministry Program, Federal Prison (MCC) San Diego, Veterans Hospital, and she has ministered to the homeless.

List of Products We Plan to Showcase

For each *WMSB* show, a committee of 5 people will pick five products from this list:

1. *Home Office Equipment and Supplies*
2. *Home Security Systems*
3. *Automotive Supplies*
 - tools
 - lighting systems, including
 - special F/X lighting
 - anti-theft clubs
 - alarm systems
 - etc.
4. *Afro-centric Gifts*
 - African-American history
 - trading cards
 - Afro-American checks
 - other paper products
5. *Minority Artwork*
 - art prints
 - original paintings
6. *Sports Products*
 - fishing
 - boating
 - golf
 - etc.
7. *Children's Toys and Educational Games*
8. *Briefcases, Attachés, Shoulder Bags*
9. *Arts and Crafts*
 - jewelry
 - figurines
 - crystal
10. *Household Items*
 - bedding, linens
 - dinnerware
11. *Home Health Care Products*
 - medical equipment
 - medical supplies
12. *New Age Products*
 - music
 - books
 - novelties
13. *Women and Men's Fashions*
 - casual wear
 - office wear
 - dress clothing
 - sportswear
 - Western and Southwestern wear

CERTIFICATE OF REGISTRATION



This Certificate issued under the seal of the Copyright Office in accordance with title 17, United States Code, attests that registration has been made for the work identified below. The information on this certificate has been made a part of the Copyright Office records.

FORM PA
UNITED STATES COPYRIGHT OFFICE
REGISTRATION NUMBER

PA 731-582

RECEIVED

EFFECTIVE DATE OF REGISTRATION

Marybeth Peters

Month Mar Day 21 Year 94

REGISTER OF COPYRIGHTS

OFFICIAL SEAL

DO NOT WRITE ABOVE THIS LINE. IF YOU NEED MORE SPACE, USE A SEPARATE CONTINUATION SHEET.

1

TITLE OF THIS WORK ▼

WOMEN, MINORITIES AND SMALL BUSINESS TELEVISION PROGRAM (WMSB)

PREVIOUS OR ALTERNATIVE TITLES ▼

(WMSB) WAREHOUSE PRICES INFOMERCIALS/NETWORK

NATURE OF THIS WORK ▼ See instructions

VIDEO MADE FOR TELEVISION AND RETAIL

2

NAME OF AUTHOR ▼

a MLT PRODUCTIONS

DATES OF BIRTH AND DEATH

Year Born ▼ Year Died ▼

Was this contribution to the work a "work made for hire"?

☒ Yes
☐ No

AUTHOR'S NATIONALITY OR DOMICILE

Name of Country

OR { Citizen of ▶ United States
Domiciled in ▶

WAS THIS AUTHOR'S CONTRIBUTION TO THE WORK

Anonymous? ☐ Yes ☒ No
Pseudonymous? ☐ Yes ☐ No

If the answer to either of these questions is "Yes," see detailed instructions.

NATURE OF AUTHORSHIP

Briefly describe nature of the material created by this author in which copyright is claimed. ▼

Entire Work

NAME OF AUTHOR ▼

b Veronica McCune

DATES OF BIRTH AND DEATH

Year Born ▼ Year Died ▼
1943

Was this contribution to the work a "work made for hire"?

☒ Yes
☐ No

AUTHOR'S NATIONALITY OR DOMICILE

Name of Country

OR { Citizen of ▶ United States
Domiciled in ▶

WAS THIS AUTHOR'S CONTRIBUTION TO THE WORK

Anonymous? ☐ Yes ☒ No
Pseudonymous? ☐ Yes ☐ No

If the answer to either of these questions is "Yes," see detailed instructions.

NATURE OF AUTHORSHIP

Briefly describe nature of the material created by this author in which copyright is claimed. ▼

Author, Producer and writer

NAME OF AUTHOR ▼

c Charlotte Jackson

DATES OF BIRTH AND DEATH

Year Born ▼ Year Died ▼
1943

Was this contribution to the work a "work made for hire"?

☒ Yes
☐ No

AUTHOR'S NATIONALITY OR DOMICILE

Name of Country

OR { Citizen of ▶ United States
Domiciled in ▶

WAS THIS AUTHOR'S CONTRIBUTION TO THE WORK

Anonymous? ☐ Yes ☒ No
Pseudonymous? ☐ Yes ☐ No

If the answer to either of these questions is "Yes," see detailed instructions.

NATURE OF AUTHORSHIP

Briefly describe nature of the material created by this author in which copyright is claimed. ▼

Narration and Host

3

YEAR IN WHICH CREATION OF THIS WORK WAS COMPLETED

Jan. 1993 Year

This information must be given in all cases.

DATE AND NATION OF FIRST PUBLICATION OF THIS PARTICULAR WORK

Complete this information ONLY if this work has been published.

Month ▶ June Day ▶ 3 Year ▶ 93

United States Nation

4

COPYRIGHT CLAIMANT(S) Name and address must be given even if the claimant is the same as the author given in space 2. ▼

MLT PRODUCTIONS
3912 60th Street Suite 12
San Diego, Ca. 92115

APPLICATION RECEIVED

SEP 20 1994

ONE DEPOSIT RECEIVED

Mar 21 1994

TWO DEPOSITS RECEIVED

REMITTANCE NUMBER AND DATE

TRANSFER If the claimant(s) named here in space 4 are different from the author(s) named in space 2, give a brief statement of how the claimant(s) obtained ownership of the copyright. ▼

MORE ON BACK ▶

• Complete all applicable spaces (numbers 5-9) on the reverse side of this page.
• See detailed instructions. • Sign the form at line 8.

DO NOT WRITE HERE

Page 1 of 1 pages

NOTE

Under the law, the "author" of a "work made for hire" is generally the employer, not the employee (see instructions). For any part of this work that was "made for hire" check "Yes" in the space provided, give the employer (or other person for whom the work was prepared) as "Author" of that part, and leave the space for dates of birth and death blank.

See instructions before completing this space.

CHECKED BY

68

CORRESPONDENCE

FOR
COPYRIGHT
OFFICE
USE
ONLY

DEPOSIT ACCOUNT

FOR
COPYRIGHT
OFFICE
USE
ONLY

DO NOT WRITE ABOVE THIS LINE. IF YOU NEED MORE SPACE, USE A SEPARATE CONTINUATION SHEET.

PREVIOUS REGISTRATION Has registration for this work, or for an earlier version of this work, already been made in the Copyright Office?☐ Yes ☒ No If your answer is "Yes," why is another registration being sought? (Check appropriate box) ☐☐ This is the first published edition of a work previously registered in unpublished form.☐ This is the first application submitted by this author as copyright claimant.☐ This is a changed version of the work, as shown by space 6 on this application.If your answer is "Yes," give: Previous Registration Number ☐Year of Registration ☐**DERIVATIVE WORK OR COMPILATION** Complete both space 6a & 6b for a derivative work; complete only 6b for a compilation.a. Preexisting Material Identify any preexisting work or works that this work is based on or incorporates. ☐b. Material Added to This Work Give a brief, general statement of the material that has been added to this work and in which copyright is claimed. ☐See instructions
before completing
this space.**DEPOSIT ACCOUNT** If the registration fee is to be charged to a Deposit Account established in the Copyright Office, give name and number of Account.Name ☐Account Number ☐**CORRESPONDENCE** Give name and address to which correspondence about this application should be sent. Name/Address/Apt/City/State/Zip ☐

Veronica McCune President/Producer (619) 286-3533

MLT Productions Fax (619) 583-6478

3912 60th Street Suite 12

San Diego, Ca. 92115

Area Code & Telephone Number ☐Be sure to
give your
daytime phone
number**CERTIFICATION** I, the undersigned, hereby certify that I am theCheck only one ☐☐ author☐ other copyright claimant☐ owner of exclusive right(s)☒ authorized agent of *Veronica McCune*Name of Editor or other copyright claimant, or owner of exclusive right(s) ☐

of the work identified in this application and that the statements made by me in this application are correct to the best of my knowledge.

Typed or printed name and date ☐ If this is a published work, this date must be the same as or later than the date of publication given in space 3.Date ☐MAIL
CERTIFI-
CATE TO

MLT Productions

Number/Street/Apartment Number ☐City/State/Zip ☐

San Diego, Ca. 92115

Certificate
will be
mailed in
window
envelope

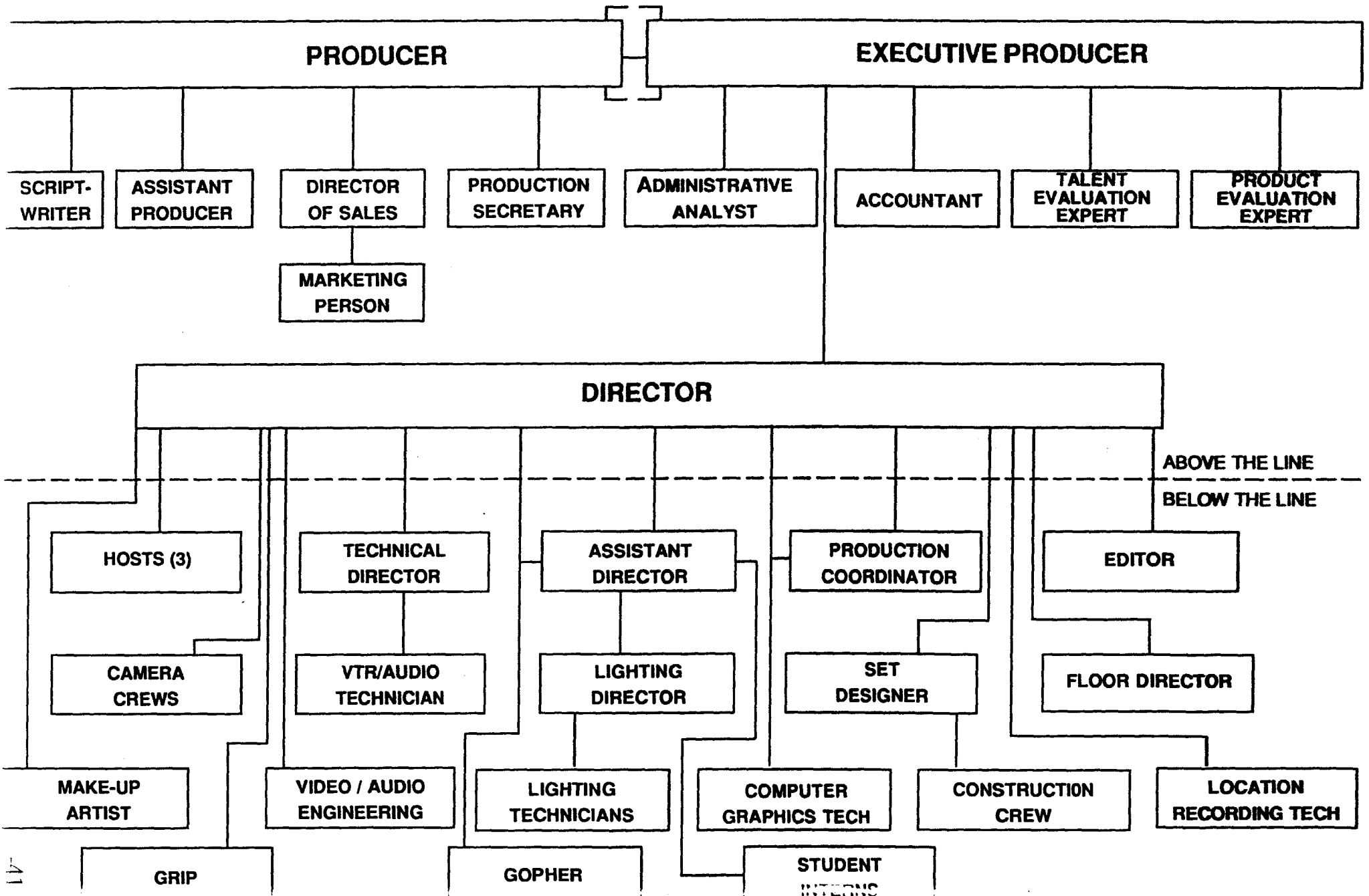
New year:

- Completed all necessary
- steps?
- Signed your application in space
- 6?
- Enclosed check or money order
- for \$10 payable to Register of
- Copyrights?
- Enclosed your deposit material
- with the application and fee?

MAIL TO: Register of Copyrights,
Library of Congress, Washington,
D.C. 20540

* 17 U.S.C. § 205(c): Any person who knowingly makes a false representation of a material fact in the application for copyright registration provided for by section 409, or in any written statement filed in connection with the application, shall be fined not more than \$2,500.

ORGANIZATIONAL CHART



TV PROGRAM

Sponsorships

There are many reasons why one should sponsor a television series and here are just a few of them:

- TV is *the* advertising tool to use if you want to encourage a response to your ad, because TV helps you sell ideas, concepts, products and services.
- TV is the quickest way to present your product or service to the marketplace.
- TV reaches the entire community.
- The average household spends more than seven full hours each day watching TV.
- Think of it this way: How long ago was it that either you or someone in your household had the TV on?
- TV is an advertising tool that uses sight, sound and motion to actually encourage, motivate and create emotion.
- TV influences purchasing decisions and creates action.

It's like thousands of sales people instantaneously entering the homes of the local community persuading viewers with your message.

It's your chance to communicate to thousands of people, for less than you might think: less than a penny a person.

WMSB Sponsors

Sponsors of the *WMSB* shopping programs can participate in helping small businesses market their products or services to the public, as well as enjoy the satisfaction of knowing you've helped to put on a quality television program.

You can be a sponsor of a woman or minority small business. You can sponsor your clients on the program to help them market their products and/or services by submitting their names with a contract for airing your company TV commercial on the *WMSB* shopping program.

Your sponsorship can help **MLT Productions** market *WMSB* product(s) and/or service(s), as well as inform and entertain our viewing audience, which is important to the small business community.

Corporate sponsors! You can be part of this *WMSB* TV program by sponsoring **MLT** in promoting, marketing, educating, and entertaining the television community at large.

We invite corporation executives to come and market your product(s) and/or service(s) to Mr. & Mrs. America with your commercials. Sponsorships are available in the \$50,000 to \$100,000 range per segment.

MLT Productions thanks you for your sponsorship in helping small business through television.

MLT PRODUCTIONS TELEVISION SPONSOR CONTRACT

Your business can become a **WMSB** Sponsor in a number of ways. One way is by receiving credit on one or all television programs on a continuing basis or on a short-term basis (i.e., program by program).

Yes! I want to be a **WMSB** Sponsor in return for a 30-second commercial.

For number of shows _____ Number of commercials aired _____

Voice-over with or without logos, aired at the beginning and ending is \$ _____ per show, such as: "This program is brought to you in part by *Timeout*."

Sponsors with your 30-second video tape in hand for four shows \$ _____

Shows taped with a business logo showing at all times is \$ _____

Infomercial Sponsor Company:

Client Name: _____

City : _____ Zip: _____

Telephone Numbers: _____ Fax: _____

Sponsor Signature: _____ Date: _____

Producer Signature: _____ Date: _____

TELEVISION HOSTS

Hosts will be trained to know the products and/or services and the manufacturers, and on some occasions visit factories to assess product quality, how it works and what value it has to the community.

Hosts will have manufacturers and entrepreneurs as guests on the show to talk about their products and/or services.

Hosts of the program will demonstrate products, discuss features and benefits, and encourage viewers to pick up the telephone and call to make an order at warehouse prices.

PERFORMER CONTRACT MEMO

TO: _____

[Performer]

[Agent]

FROM: _____

[Producer]

DATE: _____

The following has been agreed between the parties listed above for the services of the Performer to perform as a host in **MLT Productions** company's television production entitled *WMSB Warehouse*. Performer grants Producer all rights in his/her performance for exploitation throughout the universe in all media in perpetuity.

Role: HOST

Start Date: _____

Compensation: _____

[Total]

[Pro-rata per week]

Guaranteed Term: _____

Other Matters (if not applicable put N/A): _____

Expenses: _____

Travel: _____

Lodging: _____

Union/Guild: _____

Other Arrangements: _____

Billing: _____

Estimate Schedule: _____

PERSONAL INFORMATION

Name: _____

Address: _____

City: _____ **Zip:** _____

Telephone: _____ **SS#:** _____

Agent Information:

Name: _____

Address: _____

City: _____ **Zip:** _____

Telephone: _____ **SS#:** _____

Producer Information:

Name: _____

Address: _____

City: _____ **Zip:** _____

Telephone: _____

Signatures: _____

Performer

Producer

Performer Contract Option and Series Option Clause

This letter will confirm that _____ (Host) has agreed to test for host for the role of (talk show sales person) in the *WMSB Warehouse* shopping program (the series, a one-half-hour infomercial weekly series to be produced in _____ and such other locations as Producer (Veronica McCune) may designate. As to the time and place for the test or host, the Producer shall have the exclusive and irrevocable option to cast Artist in the Role by giving written notice to that effect to Artist or Artist's agent on _____ or before 199____. Should Producer exercise this option, Artist agrees to render his/her acting services to the series, and the following terms shall govern Artist's employment in the series.

[Series Option Clause]

Dates/Options: If Producer exercises the initial option granted to him/her herein, Producer shall have five further consecutive exclusive and irrevocable options, in each case exercisable no later than _____ to obtain Artist's acting services hereunder in episodes to be produced in the immediately following production year. The base commitment to Artist for each production year for which any option is exercised is for _____ episodes. In each production year, including the initial year, Producer shall have the further option, exercisable no later than (December 1) in such year, to employ Artist's services in connection with no fewer than _____ or more than _____ additional episodes for such production year, the number to be designated by Producer at time of exercise. Each production year hereunder will run from (June 15 to June 14), with the initial production year beginning June 15, 199____.

MLT PRODUCTIONS RULES

MLT Productions' requirements for qualifying for the *Women, Minorities and Small Business* television shopping program:

1. You will have to submit two samples of each product.

A. Send two samples per product to:

MLT Productions
Marketing Department
3912 60th Street, Suite 12
San Diego, California 92115

B. Provide additional samples upon request.

2. Send all literature available about your products to the same office.
3. Confirmation of retail prices, high and low.
4. Wholesale prices.
5. Agreement on pricing the products to **MLT Productions** and/or their assigns.
6. Length of time to produce product(s) once an order is issued.
7. Amount of existing inventory available *now*.
8. An agreement granting **MLT Productions** and/or their assignees the exclusive sales rights for all electronic media marketing, including, but not limited to, electronic retailing, infomercial, etc.

If you wish to submit a product(s) for evaluation to **MLT Productions**, we only ask that you send as much information with product as possible.

MLT will charge the business owners 15% per unit sold to cover the marketing staff and equipment. In addition each owner will pay \$3.00 per order for telemarketing for information requests.

MLT will send out purchase order requisitions through the U.S. mail on a daily basis to the business owners to fill orders. The money received or credit cards charged from each

customer will be deposited into escrow pending the delivery of product. Upon delivery of product the money will be transferred from escrow to the business owner's bank, minus MLT's 15%.

The customer will pay for shipping and handling as follows: Express Mail, UPS, or U.S. Postal Service. The size and weight of the product will dictate shipping and handling costs (i.e., \$4.75 being the minimum for a shipment of \$300.00 or more). Shipping and handling fees will be turned over to the business owner.

CONFIDENTIAL - PROPRIETARY INFORMATION

The attached correspondence covers most items that will eventually be required to submit a product for review for electronic retail and additional retail markets. Please try to send as much of the information as possible with the product samples. If we have the proper product information and we feel that the product can sell, the product will be presented to the Electronic Retail Purchasing Committee and MLT Productions and a decision will be made. In cases where there is no established retail as of yet, but the product is superb, the marketing company would be able to help the vender/manufacturer establish a retail price that would work according to the televised shopping buying pattern as long as the retail price is realistic and acceptable to the average consumer. There may be times when electronic retail is not cost effective for the vender/manufacturer. If you run across a truly great product, but the product is not cost effective, MLT Productions will still work with you and your clients in putting together a Network TV Program that will fit your needs. If you should have any additional questions please feel free to give us a call.

AGREEMENT AND APPLICATION

This AGREEMENT, made this _____ day of _____ 19____ between **MLT Productions** with principal offices at 3912 60th Street, Suite 12, San Diego, California (hereinafter referred as **MLT**), and _____ (hereinafter referred to as **CLIENT**).

Now, therefore, in consideration of the premises, it is agreed as follows:

CLIENT agrees to retain the services of **MLT Productions** to act on **CLIENT**'s behalf in promoting **CLIENT**'s product(s) and/or service(s) on the television shopping program *Women, Minorities and Small Business* (hereinafter referred to as *WMSB*).

CLIENT agrees to give **MLT** assigns exclusive rights to all electronic media marketing, sales and promotion of **CLIENT**'S product(s) and/or service(s) during the period of time that this agreement is in force, including but not limited to retailing, direct-response television advertisements, infomercials, etc.

CLIENT agrees to pay **MLT Productions** its 15% of all purchased products upon delivery to be deducted from initial payments.

CLIENT agrees to ship products or give services within 4 to 6 weeks after receiving purchase order from **MLT Productions**.

CLIENT agrees to submit up to five samples of the product(s) (as applicable) to **MLT** along with the history and points of interest on company, product(s) and/or service(s), and any and all literature available.

CLIENT will supply to **MLT** (as applicable) an actual cost breakdown and confirmation of retail highs and lows, a copy of product liability insurance (a \$50,000 to \$100,000 policy will eventually be needed), the normal wholesale price; an agreement on pricing of **CLIENT**'s product(s) and/or service(s) to **MLT** assignees; the length of time to deliver **CLIENT**'s product once a purchase order has been issued; an agreement to private label; any artwork and/or specification available to **CLIENT**; length of time to produce product under private label, along with minimum order required to produce product with private label; the amount

of product now in inventory; any other items and/or materials deemed necessary by MLT efforts to promote and/or sell CLIENT's product(s) and/or service(s).

MLT will provide the following services: inbound television network 1-800 number for processing orders, merchant account for charge card orders as a result of your sales. (We must pass on to you the 3% processing fee charged us by the bank.) We will also accept and process all personal and business checks through our Guarantee Checking System.

CLIENT is responsible for fulfillment of product(s) and/or service(s) and will be responsible for all charge-backs.

MLT's cutoff for processing orders will be Wednesday of each week, with payment by a wire transfer to CLIENT, or it will be mailed out upon proof of delivery.

CLIENT agrees to these presents to be duly executed as of the day and year first written above.

Client Name: _____

Company Name: _____

Signed by: _____ Date: _____

Accepted by: _____ Date: _____

APPROVED BY COMMITTEE: YES _____ NO _____

CLIENT PURCHASE ORDER: _____

PRODUCTS AND/OR SERVICES

Name of Company: _____

Address: _____

City: _____ Zip: _____

Bank Name: _____

Address: _____

City: _____ Zip: _____

Account Number: _____ Telephone No: _____

Name of your product(s) and/or service(s): _____

Are you willing to sell at warehouse prices? Yes _____ No _____

Do you have typed information on your product(s) and/or service(s)?
Yes _____ No _____

What are the retail prices on your product(s) and/or service(s)? _____

What are the warehouse prices on your product(s) and/or service(s)? _____

What is the break-even cost of your product? _____

Colors of product(s): _____

Size of product(s): _____

Number of product(s): _____

Will you be using a model standing _____ sitting _____

What benefits does your product or service provide? _____

Has the product been sold anywhere? Yes _____ No _____ If yes, answer:

Where? _____

What media did you use? _____

When? _____

Who placed the advertising? _____

How much did it cost? _____

What were the results? _____

Do you have a research plan to help determine who your target customers are?

Yes _____ No _____ If yes, please send a copy of your plan

Do you have a merchant number? Yes _____ No _____

Number: _____ Location: _____

Exclusive Rights Agreement 1993

This client, the undersigned, agrees to give **MLT Productions** all exclusive rights for all electronic media marketing, sales, and promotion of client's commercial and client does not have the right to copy, produce, misuse, and/or air this commercial anywhere. This property is owned by **MLT Productions**, 3912 60th Street, Suite 12, San Diego, California, 92115, and all copyrights are protected and backed by copyright laws in the United States District Courts.

In witness hereof, agrees by signing the exclusive rights agreement, Client has read and understands all terms and conditions of this agreement and will comply with them at all times.

Company: _____

Signature: _____

Date: _____

Name (please print): _____

Accepted by: _____

(**MLT Productions**)

CONFIDENTIAL

Authorization to reproduce physical likeness for the good and valuable consideration, or worth our consideration the receipt of which from: _____ and is acknowledged, I hereby expressly grant to **MLT Productions** and to employees, agents, and assigns, the right to photograph me and use my picture, silhouette and other reproductions of my physical likeness (as the same may appear in any still camera photograph and/or motion picture film), in and in connection with the exhibition, theatrically, on television or otherwise, of any videotape, motion picture, or motion pictures in which the same may be used or incorporated, and also in the advertising, exploiting and/or publicizing of any such videotape or motion picture, but not limited to television or theatrical motion whether recorded on or transferred to videotape, film, slides, photographs, audio tapes or other media. This includes, without limitation, the right to edit, mix or duplicate, and to use and reuse said recording in whole or in part.

I also grant the right to broadcast, exhibit, market and distribute any of said recordings, whether alone or as part of its finished productions, for commercial or non-commercial television or theater, closed-circuit exhibition or any other legal purpose.

This includes the right to use said recordings, for promotion or publicizing any of these uses. I confirm that all art work which has been recorded as my own is in fact owned by me, and that all other works recorded have been authorized by their owner or owners, without financial obligation to me. I hereby give all copyright clearances for the use of these works in the production. I have read the foregoing and understand the terms and stipulations contained therein.

Name: _____

Company Name: _____ Telephone: _____

Address: _____

City: _____ Zip: _____

Date: _____

Name of Guest: _____ Date: _____

I am the parent and/or guardian of the above minor, and do hereby endorse this agreement in his or her behalf.

Signed by: _____ Date: _____